GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2321
ANSWERED ON:09.05.2016
MDA Scheme
Karandlaje Km. Shobha

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has put emphasis on exports and has taken various measures including Marketing Development Assistance (MDA) Scheme to facilitate exports from the country and if so, the details thereof;
(b) whether the MDA Scheme has encouraged greater participation in emerging markets of Asia, Africa and Latin America and if so, the details thereof;
(c) whether the Government has revised the guidelines for MDA scheme and if so, the details thereof; and
(d) whether the Government has sought comments/views from various stakeholders before revising the guidelines of MDA scheme and if so, the details thereof ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

a) Yes Madam. The Marketing Development Assistance (MDA) Scheme assists exporters for export promotion activities abroad. The Scheme promotes focus export promotion programmes in specific regions like Latin America, Africa, Association of Southeast Asian Nations (ASEAN) and Commonwealth of Independent States (CIS).

b) The MDA guidelines encourages greater participation in emerging markets of Asia, Africa and Latin America. Exporting companies with an f.o.b. value of exports of up to Rs.30 crore in the preceding year is eligible for MDA assistance. However, for Latin America, this ceiling of f.o.b. value of exports of Rs.30 crore has been relaxed and even the big exporters with more than f.o.b of Rs.30 crores can get MDA assistance for this region. Further, under the MDA Scheme, the financial ceilings for participation in Trade Fairs and Exhibitions were enhanced in 2013 to Rs.2,50,000/- for focus Latin American countries and Rs.2,00,000/- for focus African countries, focus CIS countries and focus ASEAN.

c) & d) The MDA Scheme was revised with effect from 01.06.2013 to provide for, inter alia, the following:

(i) Bringing more transparency in the Scheme by making it mandatory for the Export Promotion Councils (EPCs) to display the details of participants in each fair/event and participants' year-wise exports on their websites;

(ii) Upward revision of the f.o.b. value as well as assistance to the individual exporters to cater to the cost escalation and appreciation of the value of international currencies, like US Dollar, Euro, etc.; and

(iii)Releasing more money at the beginning of the financial year so that the EPCs can plan their events and utilize the assistance in a better manner;

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